IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX REFERENCE NO.498 OF 1995

The Commissioner of Income Tax
Bombay City-I, Bombay .. Applicant.
V/s.
M/s.Banas Finance Limited .. Respondent.

Mr.R.V. Desai, senior counsel with Mr.A.S. Rao for the applicant.

CORAM : S. RADHAKRISHNAN &
J.P. DEVADHAR, JJ.

DATED : 7TH MARCH, 2005.

P.C. :

1. Heard learned counsel for the applicant. In the above, the following question referred, which reads thus :

> Whether on the facts and in the circumstances of the case, the Tribunal was right in law in upholding the order of the CIT(A) that the assessee is entitled to investment allowance on machinery leased out to other parties ?

2. The learned counsel for the applicant fairly states that the above issue is squarely covered by the judgment of the Supreme Court in the case of **CIT V/s. 1.Shaan Finance (P) Ltd. 2. First Leasing Co. of India Ltd. [231 ITR 308].**

3. In view thereof, the question is answered in affirmative in favour of the assessee against the revenue.

(S. RADHAKRISHNAN, J.)

(J.P. DEVADHAR, J.)